

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

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**Triple J. Rentals LLC,**

Petitioner-Appellant,

v.

**Black Hawk County Board of Review,**

Respondent-Appellee.

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**ORDER**

**Docket No. 11-07-1590**

**Parcel No. 8913-26-132-004**

On July 3, 2012, the above captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board under Iowa Code sections 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. The Appellant Triple J. Rentals LLC was represented by owner/member Tyler E. Junker. It requested a written consideration. Assistant County Attorney David J. Mason represented the Black Hawk County Board of Review. The Appeal Board having reviewed the entire record and being fully advised, finds:

***Findings of Fact***

Triple J. Rentals LLC (TJR), owner of a residentially classified property located at 109 Leland Avenue, Waterloo, Iowa, appeals from the Black Hawk County Board of Review regarding its 2011 property assessment. The January 1, 2011, assessment of \$71,770 is allocated as \$9300 in land value and \$62,470 in improvement value.

The subject property is a two-story frame, single-family residence built in 1901. The improvements include 2208 square feet of above-grade finish and a full, unfinished basement. There is also an attic area, but its actual size is not reported. The residence has a 280 square-foot open porch and a 276 square-foot enclosed porch. These improvements are listed as below-normal condition with 45% physical depreciation and 20% functional obsolescence. Additionally there is a 216 square-foot,

detached garage built in 1942, listed in poor condition with 60% physical depreciation. The site is 0.135 acres.

TJR protested its assessment to the Black Hawk County Board of Review. On the protest it contended there has been a change downward in value since the last assessment under section 441.37(1) and 441.35. Its petition stated: “normal arms-length transaction – purchased \$14,225 1/28/2011.” In a re-assessment year, a challenge based on downward change in value is akin to a market value claim. *See Dedham Co-op. Ass’n v. Carroll County Bd. of Review*, 2006 WL 1750300 (Iowa Ct. App. 2006)(unpublished). Accordingly, we consider TJR’s claim as one of over-assessment under Iowa Code section 441.37(1)(b).

The Board of Review denied the protest.

TJR then appealed to this Board reasserting its claim of over assessment. It asserts the correct value is \$38,000, allocated as \$9000 in land value and \$29,000 in improvement value.

Tyler Junker submitted a written statement and two comparable sales for consideration. Junker’s statement notes began interior remodeling of the property, as evidenced by building permits dated June 29, 2011. However, no explanation of the remodeling was provided. He notes that he purchased the property in January 2011 for \$14,225 and provided a copy of the HUD settlement statement. He asserts this was an arms-length transaction, which is also noted on the “Black Hawk County Real Estate Assessment and Tax Information” sheet included with his appeal. His written statement asserts the last two sales of the subject property were less than 20% of the current assessment. We note the last three sales sold either by or to government entities or were sheriff/tax sales and would not be considered normal transactions under Iowa law. We give these previous sales no consideration.

Regarding the comparables, the first property is located at 613 W. Mullan Avenue and sold in September 2007 for \$49,000. This is a one-story home compared to the subject’s two-story design. It

is also significantly smaller in size with only 720 square feet of living area compared to the subjects 2208 square feet of living area. We give this comparable no consideration due to the smaller size of the home, the 2007 sales date, and the fact that the property is unadjusted for these, and other, differences.

The second property is located at 102 South Street. There is no noted sale of this comparable, however Junker states it has 2011 assessment of \$41,990. This property, which has 876 square feet of living area, is also much smaller than the subject. Regardless, it cannot be considered for a market value claim because it has not sold.

Lastly, Junker referenced another property owned by TJR, located at 224-229 South Street and purchased in September 2010 for \$55,000. This property is a six-plex and we do not find it similar to the subject's single-family design.

The Board of Review did not submit any evidence.

Based upon the foregoing, we find there is insufficient evidence to support a claim of over-assessment.

### *Conclusions of Law*

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment*



*Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).


In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

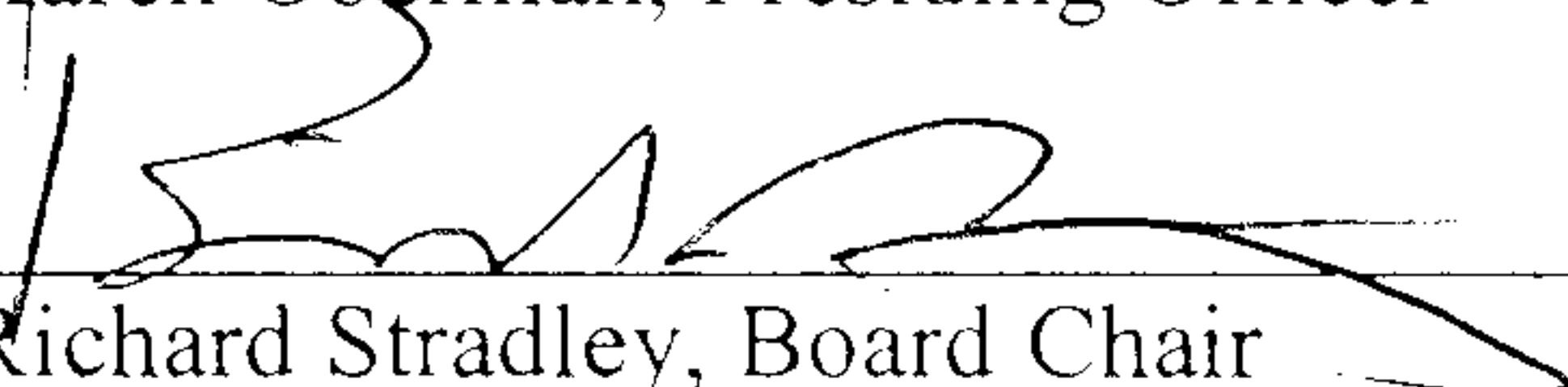
In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). TJR did not provide sufficient evidence of the correct and actual market value of the subject property as of January 1, 2011. Therefore, preponderance of the evidence does not support the claim that the property is assessed for more than authorized by law.

We affirm the assessment of Triple J. Rentals LLC's property as determined by the Black Hawk County Board of Review.

THE APPEAL BOARD ORDERS the assessment of Triple J. Rentals LLC's property located at 109 Leland Avenue, Waterloo, Iowa, of \$71,770, as of January 1, 2011, set by Black Hawk County Board of Review, is affirmed.

Dated this 20 day of August, 2012.

  
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Karen Oberman, Presiding Officer

  
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Richard Stradley, Board Chair

  
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Jacqueline Rypma, Board Member

Cc:

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>8-30</u> , 2012	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	